

22. Total net worth of households

- Comparisons between 2006 and 2011 show that household net worth as a percentage of disposable income fell in 13 out of 17 OECD countries for which data are available. The United States showed a considerable decrease of -123 percentage points, the largest decrease of the 17 countries. Among the countries recording increases in household net worth (the Czech Republic, France, Germany and the Netherlands), the largest increase was in Germany (34 percentage points).
- Comparing 2012 to 2011, household net worth ratios increased on average by 12.4 percentage points in the 10 OECD countries for which data are available for 2012. The largest rise in household net worth relative to disposable income occurred in the Netherlands, with an increase of 40.3 percentage points up to 699.5%, followed by the United States, with an increase of 28.5 percentage points up to 532.1%.

The net worth of households is not only made up of financial assets and liabilities but also of non-financial assets. Because dwellings are the most important non-financial asset for households (and due to the lack of data for other non-financial assets), the measure presented here is composed of the total amount of financial assets and the value of dwellings, excluding the value of land underlying the dwelling.

Household net worth (or net wealth) is the excess of household assets over liabilities. The higher (lower) the net worth as a percentage of disposable income, the higher (lower) is the capacity of households in terms of consumption and savings and the stronger (weaker) the financial position of households.

An increasing ratio indicates that net worth is growing faster than household disposable income. In these circumstances, some households may take financial decisions (such as the purchase of goods) based on their increasing wealth rather than on the availability of current disposable income which can remain stable or decrease.

Definition

The indicator shows net worth of the household sector as a percentage of their net disposable income. In principle, net worth is the value of total assets (financial and non-financial) minus the total value of outstanding liabilities. Therefore, households' non-financial assets not only include dwellings but also include the plant, equipment and other non-financial assets by individual entrepreneurs (who are classified in the household sector). However, since data for total non-financial assets are not reported by a majority of OECD countries, net worth (as presented here) only relates to the total amount of financial assets and the value of dwellings. The purchase of "consumer durables" are treated as final consumption expenditure, and therefore are not included in the net worth of households. Also, other non-financial assets such as valuables are not included. However, because consumer durables are of analytical interest it is suggested to record these items in future as a memorandum item.

Non-financial assets are valued at market prices and are generally recorded net of depreciation.

Comparability

The international comparability of data on financial assets and liabilities is generally good.

However, as countries use a variety of methods to differentiate between the value of dwellings and land on which the dwelling is located, comparisons of these subcomponents of total net worth of households across countries can be challenging. Switzerland, the United Kingdom and the United States include the value of land under dwellings within the figures for dwellings. Another difference between countries is the net or gross recording of non-financial assets: in particular, data for Chile, Poland and the Slovak Republic are reported gross.

In addition, whereas this indicator in principle covers both households and NPISH, some countries provide dwelling data referring to the household sector only: the Czech Republic, Estonia, France, Israel, Italy, Japan, Norway, the Slovak Republic and Slovenia.

Sources

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Online database

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Further reading

Fesseau, M., F. Wolff and M.L. Mattonetti (2013), "A Cross-country Comparison of Household Income, Consumption and Wealth between Micro Sources and National Accounts Aggregates", *OECD Statistics Working Papers*, No. 2013/03, OECD Publishing, Paris, <http://dx.doi.org/10.1787/5k3wdjrn7mv-en>.

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Table 22.1. Total net worth of households

Percentage of net disposable income

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Australia	315.8	306.3	323.6	322.9	335.8	357.8	378.2	390.4	403.8	324.3	350.6	340.0	..	..
Austria	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Belgium	627.6	619.9	588.8	533.3	548.6	574.8	599.1	596.0	578.7	531.2	559.5	572.5	578.9	597.6
Canada	423.2	417.3	401.5	377.7	397.5	404.0	438.6	455.9	458.1	388.9	415.9	433.1	..	..
Chile	..	..	..	..	..	..	..	..	..	268.4	279.1	278.7	252.3	..
Czech Republic	314.8	312.9	310.9	308.5	311.8	300.8	296.3	288.2	289.2	283.8	283.6	294.5	303.2	307.4
Denmark	382.8	378.1	347.4	327.8	339.4	363.6	421.1	443.1	438.0	369.1	397.0	405.4	418.4	..
Estonia	425.7	374.6	357.9	345.8	338.8	344.0	345.1	383.5	355.9	317.9	339.7	300.7	..	..
Finland	317.7	327.8	316.2	292.6	293.5	291.6	316.3	324.3	318.6	283.9	293.0	290.7	274.6	276.4
France	417.9	418.5	396.6	387.8	404.3	414.0	435.0	450.4	457.7	435.7	452.3	463.7	473.6	..
Germany	354.3	356.4	353.5	349.6	360.8	371.4	384.8	386.0	413.2	401.7	419.5	424.1	420.2	432.2
Greece	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	319.1	322.4	314.8	301.0	291.2	286.2	289.6	302.3	313.3	307.5	332.8	341.5	..	..
Iceland	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Ireland	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Israel	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Italy	662.0	682.5	660.4	676.2	695.4	720.0	753.8	772.6	765.2	767.7	788.2	785.2	758.1	..
Japan	..	..	..	..	..	..	510.0	516.8	495.2	487.2	499.1	499.8	506.8	..
Korea	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Luxembourg	..	..	..	..	..	..	..	349.3	362.8	341.4	366.6	368.4	339.0	..
Mexico	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	645.4	633.3	557.2	520.8	551.3	576.7	616.6	631.4	629.7	554.9	626.5	667.3	659.2	699.5
New Zealand	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Norway	235.1	234.6	237.6	222.5	221.9	237.6	246.0	279.8	281.0	256.4	261.9	262.8	261.6	265.5
Poland	117.3	113.8	107.0	108.7	134.3	140.0	152.5	159.7	167.6	136.2	140.2	144.5	..	..
Portugal	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Slovak Republic	340.8	339.0	332.7	319.4	317.7	302.2	296.2	295.8	282.1	273.8	283.4	283.2	285.7	286.0
Slovenia	..	..	314.8	315.6	324.2	339.6	338.0	343.5	346.1	319.7	331.8	339.1	332.9	..
Spain	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	350.0	338.4	315.6	320.8	349.1	363.5	417.7	451.7	434.5	388.4	416.5	445.6	408.6	413.6
Switzerland	..	795.4	736.7	711.1	744.6	751.0	797.0	817.7	819.3	741.5	788.9	790.3	803.2	..
Turkey	..	..	..	..	..	..	..	..	..	..	..	..	..	..
United Kingdom	693.4	685.1	632.6	630.6	661.9	696.0	729.4	757.5	785.5	657.6	700.2	712.1	699.0	708.6
United States	588.7	552.3	530.7	499.2	538.4	582.6	622.3	626.7	599.6	471.5	495.9	519.4	503.6	532.1
Euro area
OECD-Total
China
India
Indonesia
Russian Federation
South Africa


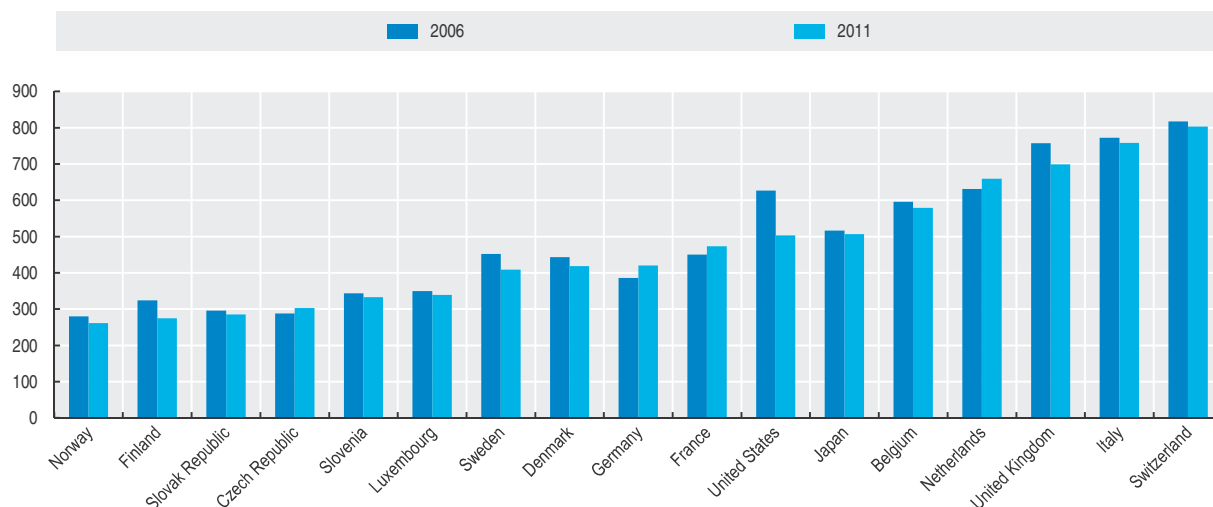
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Figure 22.1. Total net worth of households

Percentage of net disposable income, 2006 and 2011

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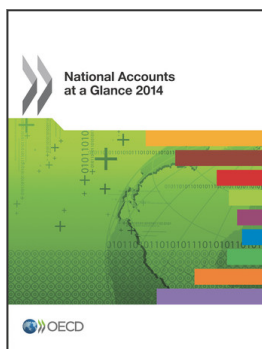
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GENERAL GOVERNMENT

23. Total expenditure
24. General government expenditure by function
25. Taxes
26. Social contributions
27. Social benefits
28. Net saving and net lending/net borrowing
29. Gross debt of general government
30. Financial net worth



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